

The reimbursement rate paid to all other providers for services rendered outside of hospital inpatient care, for the population described in 1902(a)(10)(A)(i)(VIII) of the Social Security Act shall be:

- (a) Not less than the federal Medicare reimbursement rate for the service provided; or
- (b) At a rate of 130% of the Medicaid reimbursement rate for a service that does not have a Medicare reimbursement rate.
- (c) Additionally:
 - a. Prescription drug coverage will be reimbursed at Medicaid rates or health plan contracted rates.
 - b. State will follow Medicaid policy regarding observation rule (at the time of this writing, it is 72 hours).
 - c. State will follow Medicaid policy and follow 23 hour outpatient billing requirements. Surgeries with less than 23 hour hospital stay when Medicare does not allow the procedure as an outpatient but Medicaid instructs <23 hours should be OP. Example is ACDF surgery. This may require manual processing to pay at 130% of Medicaid rate.
 - d. FQHC and RHC will be reimbursed according to the Indiana Medicaid Prospective Payment System (PPS) rates. HIP insurers that contract with the State will be required to pay the Medicare rates of reimbursement from the Medicare fee schedule that would be paid to non-FQHC/RHC providers. OMPP will provide supplemental payments up to the Medicaid FQHC and RHC PPS rates no less frequently than every four months, with year-end settlements based on claims data.
 - e. Home Health- There is not a Medicare rate for < 60 days of care; therefore if less than 60 days, pay 130% Medicaid. If 60 days or greater; pay Medicare.